

REMARKS

Claims 1-29, 32 and 37 were rejected and have been cancelled. Claims 30-31 and 33-36 were previously cancelled. Claims 38-50 have been added and are pending. Reconsideration and allowance are respectfully requested.

Claim Rejections – 35 USC § 103

Claims 1-29, 32 and 37 were rejected under 35 U.S.C. 103(a) as being unpatentable over Ohshima et al. (2003/0032484) (“Ohshima”) in view of Ritchey (5,310,794), Lyons (6,181,343), Sauer (2002/0140708), Santodomingo et al. (U.S. 7,038,694) (Santodomingo), Latypov et al. (U.S. 6,563,489) (“Latypov”), Tanide et al. (U.S. 6,201,516), and/or Dowling et al. (2003/0057884) (“Dowling”). These claims have been cancelled, without prejudice.

New Claims 38-50

New claims 38-50 are directed to embodiments of the invention illustrated in figures 2, 3, and 6. No new matter has been added.

Claim 38 is directed to an interactive environment that is partially real and partially simulated. It includes a structure that is large enough to accommodate an individual both before and after the individual takes a plurality of displacement steps within the structure, the structure formed by a plurality of adjoining walls. A real, operable door is located in one of the walls of the structure. An electronic display is positioned behind the door and is large enough to fully span across the entire opening of the door. A sensor system is configured to sense movement of the individual within the structure, including a plurality of displacement steps of the individual within the structure. A processing system is in communication with the sensor system and the electronic display. The processing system is configured to deliver signals to the electronic display representative of imagery that, when displayed on the electronic display, appears to the individual to be a real environment that lies beyond the door. The imagery changes in response to the individual taking a plurality of displacement steps within the structure in a manner that appears to the individual to be the changes in perspective of the real environment that the individual would expect to see through the door in response to the individual taking the plurality of displacement steps.

Ohshima is directed to a game apparatus in which the user wears a head-mounted display. However, Ohshima does not position a display behind a real door, nor control a display to present imagery that appears to be a real environment beyond the door.

Ritchey is directed to a panoramic display system. However, like Ohshima, Ritchey does not position a display behind a real door so as to enhance the credibility of the images which it displays. Ritchey also fails to change their displayed imagery in response to movement of an individual.

The remaining applied references appear to be of ancillary interest.

Even in combination, the cited references fail to disclose positioning a display behind a real door and controlling the display to present imagery that appears to be a real environment beyond the door that changes as the individual would expect the real environment to change in response to displacement steps taken by the individual. The placement of a real door in front of the display is a unique combination that substantially enhance the reality of the virtual images that are displayed. The only reason in the record for making such a combination would be impermissible hindsight.

It would also be contrary to the teachings of Ohshima to substitute a wall display for their head-up display. Ohshima wants to display a virtual bullet (30) hitting a cubic real object (31). This can be done in their see-through head-up display because it intermixes the images of both the real and virtual objects. It could not be viewed with the wall display of Ritchey. Again, only impermissible hindsight could supply a reason for such a modification.

Claim 44 is similar to claim 38, except that it requires the display to be positioned behind a real window, rather than a real door. Except for this difference, the arguments set forth above apply equally to this claim.

The remaining claims are dependent upon either claim 38 or 44. Thus, these are also not obvious in view of the applied references for the same reasons.

Claims 40 and 45 also require the imagery of the real environment to be captured from a real environment and displayed on the electronic display as it is being captured in real time. This

enables the individual to be realistically immersed in a real, live, on-going situation, without actually having to be there.

Ritchey displays a real environment, but not in real time. To the contrary, Ritchey discloses that this imagery is recorded for later playback on its display.

Lyons displays the user in the scene. Col. 13, lines 6-19. This does not meet the incorporated requirement in claims 40 and 45 of imagery that appears to the individual as a real environment that lies beyond the door or window.

Claims 41, 42, 43, 48, 49, and 50 also require specific applications of the invention, namely imagery of a ship on water, an airplane, or a vehicle that is displayed and modified to match displacements steps of the individual. Each represents an innovative application of the invention. These applications are again not disclosed or suggested by any of the applied references, alone or in combination.

Claim 46 also requires real, operable shutters in front of the window to enhance the realism of the interactive, virtual imagery that is displayed behind it. Again, this is not disclosed or suggested by any of the applied references, alone or in combination.

Claim 47 also requires the widow to be configured so that it may be physically opened or close, again to enhance the realism of the interactive, virtual imagery that is displayed behind it. Again, this is not disclosed or suggested by any of the applied references, alone or in combination

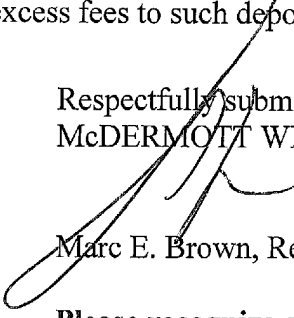
CONCLUSION

For the foregoing reasons, it is respectfully submitted that this application is now in condition for allowance and early notice of the same is earnestly requested.

To the extent necessary, a petition for an extension of time under 37 C.F.R. 1.136 is hereby made. Please charge any shortage in fees due in connection with the filing of this paper or

any other paper or matter in this application, including extension of time fees, to Deposit Account 501946, and please credit any excess fees to such deposit account.

Respectfully submitted,
McDERMOTT WILL & EMERY LLP



Marc E. Brown, Registration No. 28,590

2049 Century Park East, 38th Floor
Los Angeles, CA 90067
Phone: (310) 277-4110
Facsimile: (310) 277-4730
Date: December 19, 2007

**Please recognize our Customer No. 33401
as our correspondence address.**